

SENATE BILL

No. 6

Introduced by Senator Johnson

November 19, 2003

An act to amend Section 3751 of the Labor Code, relating to workers' compensation.

LEGISLATIVE COUNSEL'S DIGEST

SB 6, as introduced, Johnson. Workers' compensation.

Existing law prohibits an employer from exacting or receiving from any employee any contribution, or making or taking any deduction from the earnings of any employee, either directly or indirectly, to cover any part of the cost of compensation under the workers' compensation program.

This bill would provide that the use of workers' compensation costs in the calculation of profits for purposes of an employee bonus program is not a deduction from the earnings of an employee within the meaning of this provision.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 3751 of the Labor Code is amended to
- 2 read:
- 3 3751. (a) No employer shall exact or receive from any
- 4 employee any contribution, or make or take any deduction from
- 5 the earnings of any employee, either directly or indirectly, to cover



1 the whole or any part of the cost of compensation under this
2 division. Violation of this subdivision is a misdemeanor.

3 (b) If an employee has filed a claim form pursuant to Section
4 5401, a provider of medical services shall not, with actual
5 knowledge that a claim is pending, collect money directly from the
6 employee for services to cure or relieve the effects of the injury for
7 which the claim form was filed, unless the medical provider has
8 received written notice that liability for the injury has been rejected
9 by the employer and the medical provider has provided a copy of
10 this notice to the employee. Any medical provider who violates
11 this subdivision shall be liable for three times the amount
12 unlawfully collected, plus reasonable attorney's fees and costs.

13 (c) *The use of workers' compensation costs in the calculation*
14 *of profits for purposes of an employee bonus program is not a*
15 *deduction from the earnings of an employee within the meaning of*
16 *subdivision (a).*

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